

Extending America's Promise

The President is committed to expanding economic opportunity and ownership to all Americans. To achieve this goal, the 2006 Budget proposes to further promote entrepreneurship, increase opportunities for homeownership, and build on the successes of the No Child Left Behind Act (NCLB).

Leaving No Child Behind:

The reforms of NCLB are showing signs of success.

- The Education Trust analyzed student achievement data from the 24 States that had three years of comparable test scores from 2002 to 2004. A majority of these States reported a narrowing of the achievement gap between African-Americans, Latinos, and Native Americans and their white peers in both reading and math.
- Additionally, the most recent Council of Great City Schools' report, "Beating the Odds IV", found that in 73 percent of inner-city schools' fourth grades tested, the gap in reading scores between whites and African-American students decreased, and that 60 percent of inner-city fourth grades tested narrowed the gap between whites and Hispanics.

But more remains to be done. The President's Budget lays out a plan to continue the job with an aggressive, comprehensive high school initiative. The \$1.5 billion high school initiative gives States the needed support to upgrade the quality of secondary education and to help ensure that every student graduates from high school prepared to enter college or the workforce with the skills to succeed.

- This initiative provides \$1.2 billion to help States implement a high school accountability framework and a wide range of effective interventions. In return for a commitment to improve academic achievement and graduation rates for secondary school students, States will receive the flexibility to choose which intervention strategies will be most effective in serving the needs of their at-risk high school students. Allowable activities would include vocational education programs, mentoring programs, and partnerships between high schools and colleges, among other approaches.
- In addition, the Budget provides \$250 million to help States implement testing in grades 9 through 11 in language arts and math. States and school districts would have the flexibility to align the testing system with their existing instructional program, but be held accountable for improving student achievement.
- A \$28 billion increase for student aid programs through 2015, including the retirement of the Pell Grant shortfall, additional benefits for student borrowers, and an increase in the maximum Pell award by \$500 over five years, helping more than 10 million needy students cover the costs of college.
- In 2000, the President committed to spend nearly \$1 billion to address the backlog of Indian school construction projects. The Administration has met this commitment and has provided more funding for Bureau of Indian Affairs (BIA) school construction and repairs in just four years than the previous Administration did in eight years. In 2001, only 35 percent of BIA schools were in good or fair condition. With the efforts funded in the 2006 Budget, over 65 percent of all schools, or almost double the number in 2001, will be in good or fair condition.

Minority-Serving Institutions--The Budget continues support for the key programs serving these institutions, including \$299 million for Historically Black Colleges and Universities and \$96 million for

Hispanic-Serving Institutions. The request fulfills the President's pledge to increase funding for these programs by 30 percent.

Expanding Homeownership:

More Americans have achieved the dream of homeownership than at any time in our Nation's history: Sixty-nine percent of households own their homes. And for the first time ever, in 2004, a majority of minority households own their own homes. The 2006 Budget supports ambitious goals to:

- Add 5.5 million new minority homeowners by 2010 (goal set in 2002)—1.9 million new minority homeowners have been added since we launched the initiative; and
- Increase the supply of affordable homeownership units by seven million over the next 10 years (goal set in 2004).

The President's 2006 Budget provides \$200 million to continue the American Dream Downpayment initiative. This initiative provides downpayment assistance to help low-income families purchase their first homes. So far, this assistance has helped over 4,000 families purchase their first homes, and 50 percent of those families are minorities.

Promoting Small Businesses:

Small businesses account for more than half of existing private-sector jobs, two-thirds of new private-sector jobs, and more than half of the United States' Gross Domestic Product. The President is committed to promoting small-business development and entrepreneurship through business credit and technical assistance programs.

In order to meet the demand of the growing small business sector, the FY 2006 Budget supports more than \$25 billion in small business lending.

- The 7(a) program is being increased to support \$16.5 billion in guaranteed loans in 2006, the largest level in the history of the program. The program will provide financing to entrepreneurs who could not obtain affordable loans without a government guarantee.
- The Budget also provides for a 10-percent increase in the Section 504 program, to \$5.5 billion. This will increase borrower access to fixed-rate financing for fixed assets such as land, equipment, and buildings.
 - In 2004, the number of loans to minorities under these two programs increased by 30%.
 - The growth in the number of loans to minorities between FY2002 and FY2004 was 97%.
- The Budget requests nearly \$108 million for technical assistance programs in 2006. The Small Business Administration and its partners provide technical assistance, including training, counseling, mentoring, and information services to more than four million existing and potential entrepreneurs annually. SBA also provides guidance to the new Urban Entrepreneurs Partnership, announced by President Bush in July 2004. SBA provides grants to a network of over 1,100 Small Business Development Centers; 389 SCORE chapters, which match executives with entrepreneurs for business counseling; and 84 Women's Business Centers.

Ensuring Equal Opportunity:

- The Equal Employment Opportunity Commission (EEOC) enforces Federal laws that prohibit employment discrimination based on race, color, sex, religion, national origin, age, and disability. EEOC also seeks to prevent discrimination through outreach, education, and technical assistance

that promote employers' voluntary compliance with the law. The 2006 Budget provides \$331 million for EEOC, which is \$4 million, or one percent, more than the level in the 2005 Consolidated Appropriations Act. The Budget will allow EEOC to continue its outreach to workers and employers and to continue to improve its performance.

- The FY 2006 Budget also provides \$110 million for the Civil Rights Division in the Department of Justice, which is an increase of \$2.8 million above the FY 2005 enacted level. The Civil Rights Division ensures that all persons in the United States are afforded basic civil rights protections by enforcing Federal statutes prohibiting discrimination on the basis of race, sex, disability, religion, and national origin.

Mobilizing America's "Armies of Compassion":

- The President's Budget continues to fund innovative programs that promote partnerships between government and faith-based and community organizations in addressing social problems. The FY 2006 Budget provides \$150 million for the Access to Recovery (ATR) Drug Treatment Program, \$100 million for the Compassion Capital Fund, \$75 million for the Prisoner Reentry Initiative, \$50 million for the mentoring of the children of prisoners, and \$10 million for maternity group homes.